

IOU Local Programs: Third Party Energy Efficiency Programs

**2016 Energy Efficiency Changes: Statewide and Third
Party Programs Workshop**

Joint IOU Presentation
3/24/2015

Objectives for Third Party (3P) Programs

- Use comprehensive approaches to achieve savings in targeted markets
- Leverage 3Ps' deep knowledge of the particular market segment and technology expertise
- Support cost effective portfolio
- Fill portfolio gaps and introduce innovative approaches to program delivery, measures or segments served
- More effectively engage stakeholder community
- Meet or exceed 20% requirement
- Draw on successful best practices from other regions

Types of IOU 3P Programs

Mainstream 3P Programs

- Used for tried-and-true programs
- Targeted to local/regional needs
- Hard to reach focus
- Measures align with SW offerings
- Portfolio Gaps

IDEEA 365 3P Programs

- Use for new and innovative
- Implementing new technologies
- Unique delivery approaches
- Portfolio Gaps

Note: Statewide programs use competitive solicitations for implementers as well.

Overview of 3P Energy Efficiency Programs

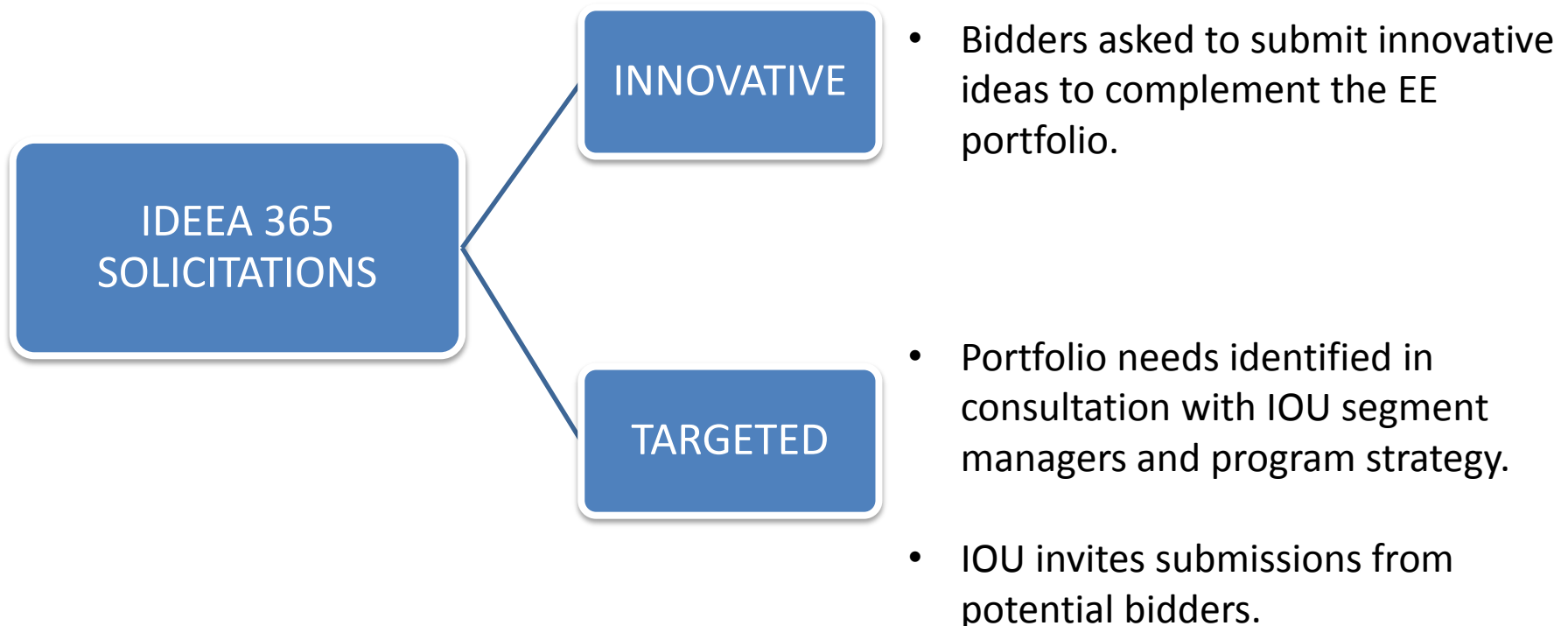
- 3P Selection Process
 - Competitive solicitation that includes a formal RFP process
 - RFP posted on SW Proposal Evaluation Program Management Application (PEPMA)
 - Bids formally reviewed and evaluated using established scoring criteria
 - Scoring criteria vetted through the Peer Review Group (PRG)
 - Selection process fair and transparent
 - IOU engages PRG to review bidders' scores
 - Vendor selected and into a contract with IOU (primarily “pay for performance”)
- 3P Program Delivery
 - Delivered directly by the 3P
 - Activities may include marketing, customer outreach, energy audits, calculation assistance, project development assistance, and/or direct installation
- IOU Responsibilities
 - Contract management – budget, scope, invoicing
 - Monitoring, tracking and reviewing project pipeline, savings achievement, and deliverables
 - Regulatory and policy compliance
 - Internal coordination to facilitate comprehensive and access to IOU resources

Mainstream 3P Solicitation Process (PG&E)

- Competitive solicitation to drive down Direct Implementation Non-Incentive (DINI) costs
- Opportunity for new programs and vendor participation
 - Based on portfolio and market analyses
 - Garnered feedback from stakeholders
- Improved contract management
 - Increase vendor accountability e.g., engineering quality
- Aligning contracts with rolling portfolio processes
 - Move away from the stop/start
- Solicitation timing
 - Started analysis in March 2014
 - Process included comprehensive research, analysis, and stakeholder feedback
 - Require sufficient time for solicitation review and selection process
 - Desire to have Programs in place by January 1, 2016

IDEEA 365 Solicitation Process

- Innovative Designs for Energy Efficiency Activities (IDEEA365)
 - An approach to continuous 3P solicitations
- Each IOU has a version of IDEEA365 with slight differences in implementation to meet individual IOU needs.



IDEEA 365 Details



Carried forward evaluation criteria consistent with SW version developed for previous solicitations



Use SW web portal to maximum number of bidders



Engaged internal cross-functional team to facilitate selection of successful 3P Programs



“Innovative” defined generally consistent with SW PRG and IOU definition for previous solicitations



Developed close working relationship with Peer Review Group (PRG)



Internal /external stakeholder reviews to identify process improvements and expedite contract execution time

Project Lifecycle – Pay for Performance (Calculated)



Note: Process shown generally followed, but may vary by PA and 3P program.

Project Lifecycle – Direct Install



1

Consultant and Account Rep Explains Program Offering to Customer



2

Customer Enrolls in Program
Customer Authorization Form
**Customer Signature*



3

Audit Performed by Consultant
Authorization Summary Form
**Customer Signature*



4

Project Assigned for Pre-Inspection

Installation Commencement



5

Project Approved



6

Install Project
Project Completion Detailed Summary Submitted
**Customer Signature*



7

Project Completion Report Package Reviewed by IOU and Projects Assigned for Post-Inspection

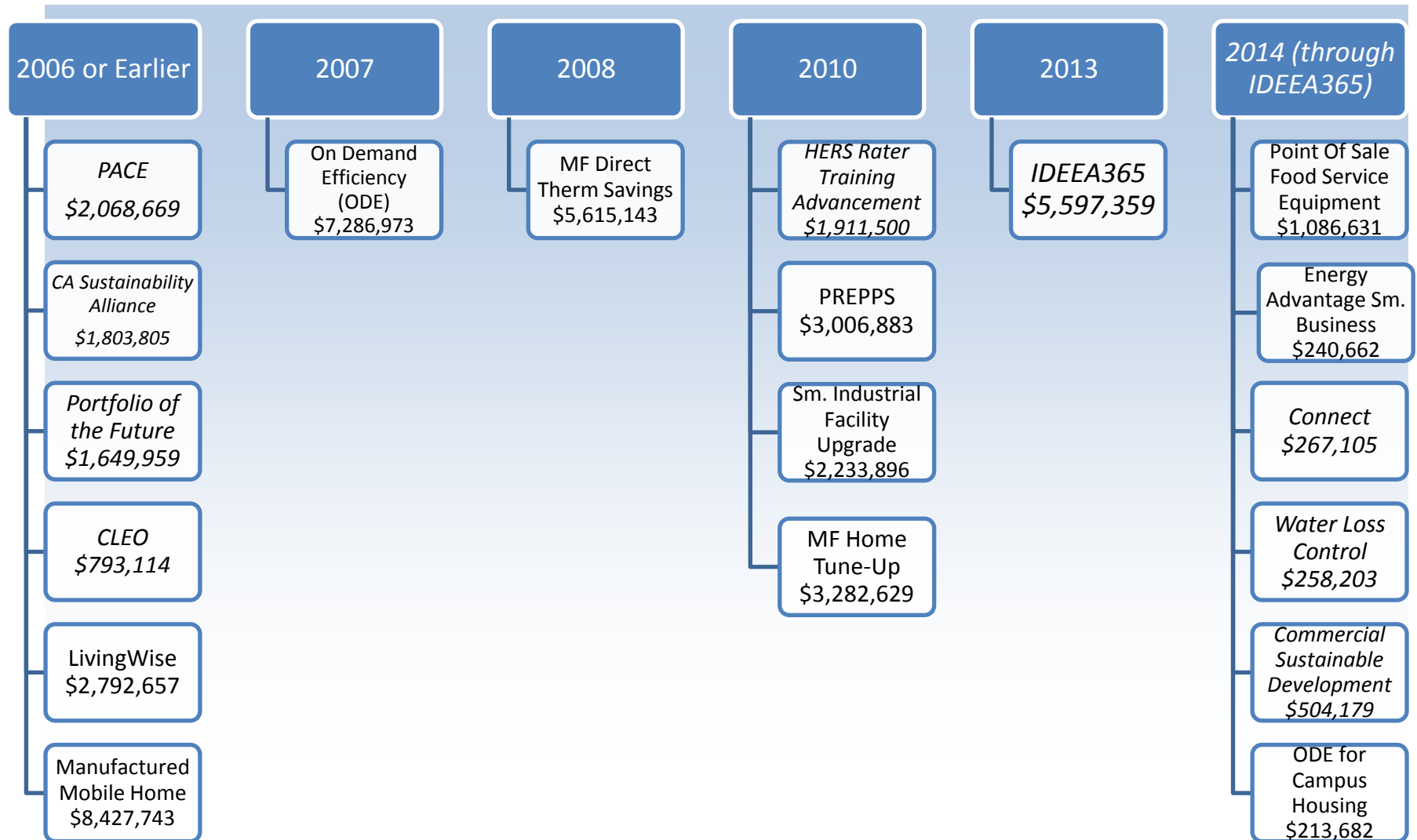


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Project Completed

Note: Process shown generally followed, but may vary by PA and 3P program.

SCG 2013 – 2015 3Ps & Budgets by Year Added*



* Italics represent non-resource programs.

Roundup of 2013 – 2015 3PP Measures

Water-Related

- Leak Detection, Demand Controls & Strategies
- Pool & Space Heating Boilers, Pool Covers
- Instantaneous Water Heaters
- Showerheads & Faucet Aerators



Food Service Equipment

- Convection, Conveyor, Rack & Combo Ovens
- Fryers
- Griddles
- Steamers



Other

- C&I measures for Small Industrial Customers
- Custom Measures for Schools
- Duct sealing
- Tank & Pipe Insulation



Non-Resource

- Training and Outreach (various topics)
- Audits
- Emerging Technology commercialization
- EE project & program coordination services



3P / IDSM Participation Example

Housing Authority of the City of Los Angeles (HACLA)

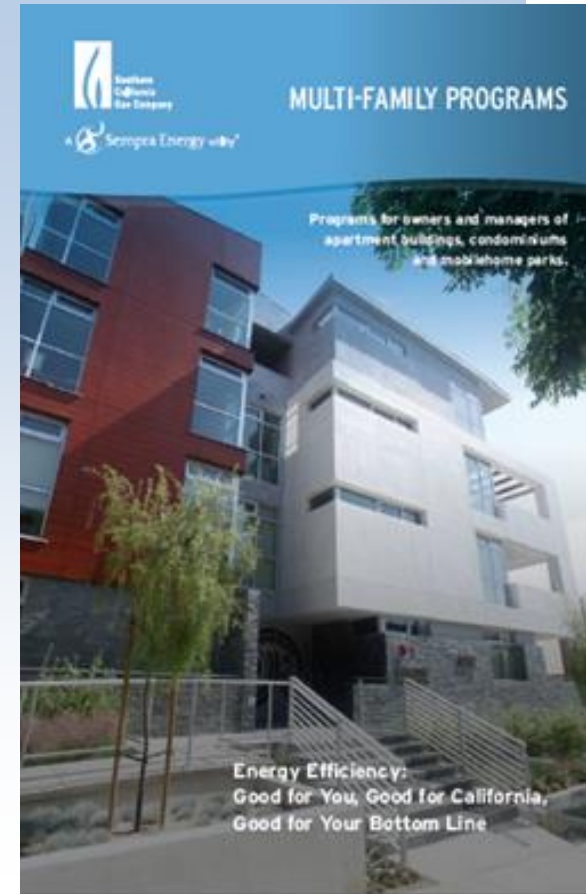
- Facilitated by MF Single Point of Contact
- Retrofit: 109 Affordable Housing Properties with over 9,000 Units
- Total Rebates: Over \$95,000 (SoCalGas + LADWP)
- Total Properties/Units Treated: 43 properties, 6,035 units treated
- Total Energy/Water Savings: 92,000 Therms; 42 million gallons/yr

Program Participation

- MF Direct Therm Savings (Joint 3P Program)
- On-Demand Efficiency (SoCalGas 3P Program)
- Multifamily Energy Efficiency Rebate (SoCalGas Program)
- Technical Assistance Program (LADWP Program)
- ESA Program (SoCalGas Low Income Program) (Pending)

Selected Measures Installed

- Low Flow Showerheads / Aerators
- Re-circulation Pumps
- Tankless Water Heaters



Summary: SDG&E's 3P Program Implementation

2006-2008

- First Full Cycle with 3PPs
- IOU Core Programs filed through formal application
- 3PP approved through advice letter process
- Commission approval for criteria to evaluate 3PP

2009-2011

- Moved to a single application where 3PPs are included in IOU Portfolio
- IOUs apply selection criteria previously approved by Commission
- IOUs have discretion in determining program focus

2012

- Commission supports expanding number/quality of 3PPs
- Commission believes the process of soliciting 3PPs has not consistently led to the stated purpose
- D.12-11-015 approves and establishes IDEEA365

2013-2014

- Allows for continuous solicitations for 3PPs
- Allows for identification for improvements to the process
- Clarifies 20% of the portfolio to be competitively bid, including EM&V

26 3PP Programs

- Mobile Energy Clinic (Small Commercial)
- Appliance Recycling (Residential)
- CHEERS (New Construction)
- Retro-commissioning (Non-Residential)
- Upstream HVAC/Motors (Non-Residential)

\$61,743,666
(24% of portfolio)

15 3PP Programs

- CIEEP (Industrial)
- HVAC Tune-up/QI (Non-Residential)
- SaveGas Hot Water Control (Hotel/Motel)
- Direct Install (Small business)
- EE Water Pumping (Commercial/Industrial/ Agricultural)

\$65,953,179
(23% of portfolio)

10 3PP Programs

- Extended existing programs that were successful
- Prepared for the implementation of IDEEA 365 rolling solicitation

\$24,482,738
(27% of portfolio)

18 3PP Programs

- 3 solicitations using IDEEA365
- MIDI(Residential)
- Zero Energy Loss Drain Adoption (Non-Residential)
- SPLASH Pool Pumps (Residential)
- Small Business Loan (Non-residential)
- Sustainable Labs (Non-Residential)

\$62,256,510
(30% of portfolio)

SCE Third Party Programs: Commercial

Commercial Customers

- Data Centers EE Program (Wildan)
- **Mid-Market Dynamic Energy Efficiency Program- TRIP (InTech Energy, Inc.)**
- The Cool Planet Project (The Climate Registry)

Hospitality

- Lodging EE Program (Wildan)

Offices

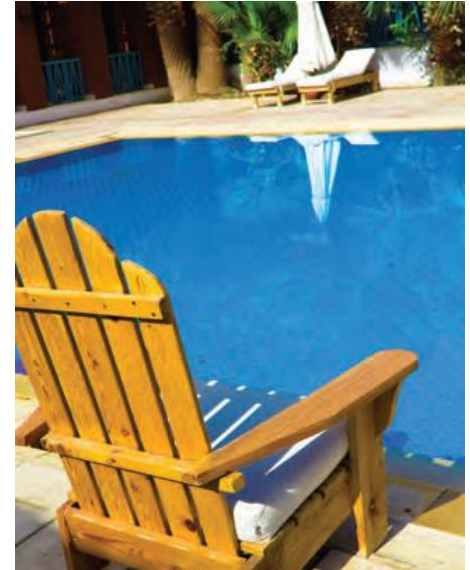
- Commercial Utility Building Efficiency (Trane)
- Enhanced RCx (Nexant), also supports hospitals
- **Mid-Market Peak Plus-TRIP (Ecology Action)**
- **Wireless Energy Management Systems- TRIP (QuEST)**

Small Business

- Direct Install (California Retrofit, Inc., FCI Management, and FESS Energy, Inc.)

Municipal, Universities, Schools & Hospitals (MUSH)

- Schools EE Program (Wildan)
- Cool Schools (Public K-12) (Trane)
- Healthcare EE Program (Wildan)
- Healthcare Innovative Technology EE Program (Wildan)



* SCE's Direct Install Programs also works with SCE's Local Government Partnerships

SCE Third Party Programs: Agricultural & Industrial

Food Processing

- Food & Kindred Products (Lockheed Martin)

Water

- ***Water Infrastructure Systems Efficiency-
IDEEA 365 (Lincus)***

Oil

- Petroleum Refining (EnerNoc/GEP)
- Oil Production (EnerNoc/GEP)

Industrial

- Chemical Products (EnerNOC/GEP)
- Primary & Fabricated Metals (Lockheed Martin)
- Non-Metallic Minerals & Products (Onsite)
- ***Mid-size Industrial Customers Program-
IDEEA 365 (Onsite)***
- The Cool Planet Project (The Climate Registry)



SCE Third Party Programs: Residential

Mobile Homes

- Comprehensive Manufactured Home Program (Synergy)



PG&E Third Party Programs: Residential

New Construction

- California Multifamily New Homes Program (TRC)



Mobile Homes

- Direct Install for Manufactured and Mobile Homes (Synergy)



Single & Multifamily

- Cooling Optimizer Program (Proctor Engineering)



PG&E Third Party Programs: Commercial

Commercial Customers

- Air Care Plus (CLEAResult)
- Boiler Program (Enovity)

Retail

- Energy Smart Grocery (CLEAResult)
- Furniture Stores (Matrix)
- LED Accelerator (Energy Solutions)

Hospitality

- Lodging Savers (Ecology Action)
- Casino Green (Ecology Action)

Offices

- **Commercial Mid Market (Lincus)**
- **Commercial Real Estate Outreach (Waypoint)**

Small & Medium Businesses

- Energy Fitness Direct Install* (RHA)
- RightLights Direct Install* (Ecology Action)
- Energy Savers Direct Install* (TEAA)
- **Data Centers Air Flow Management (CLEAResult)**

Municipal, Universities, Schools & Hospitals (MUSH)

- K-12 School Energy Efficiency (CLEAResult)
- Private Schools (Matrix)
- **Analytics-Enabled RCx (CLEAResult, Nexant, Enovity)**
- Healthcare Energy Efficiency Program (Wildan)
- **Laboratory Fume Hoods (McKinstry)**
- **Bridges to Energy (ICF)**
- **Dynamic Gas Scavenging (Mazzetti)**



* PG&E's Direct Install Programs work with and/or through our Local Government Partnerships

PG&E Third Party Programs: Agricultural & Industrial

Dairies

- Dairy Industry Resource Advantage Program (CLEAResult)
- California Dairy Energy Efficiency Program (Ensaver)

Wineries

- Wine Industry Efficiency Solutions Program (CLEAResult)

Crop Production

- *Low Pressure Irrigation (Staples)*

Food Processing

- Comprehensive Food Processing Audit and Resource Efficiency Program (EnerNoc)

Water Agencies

- *Water Infrastructure and System Efficiency Program (Lincus)*
- California Wastewater Optimization (QuEST)

Oil

- Energy Efficiency Services for Oil and Gas Production (EnerNoc)
- Refinery Energy Efficiency Program (Nexant)

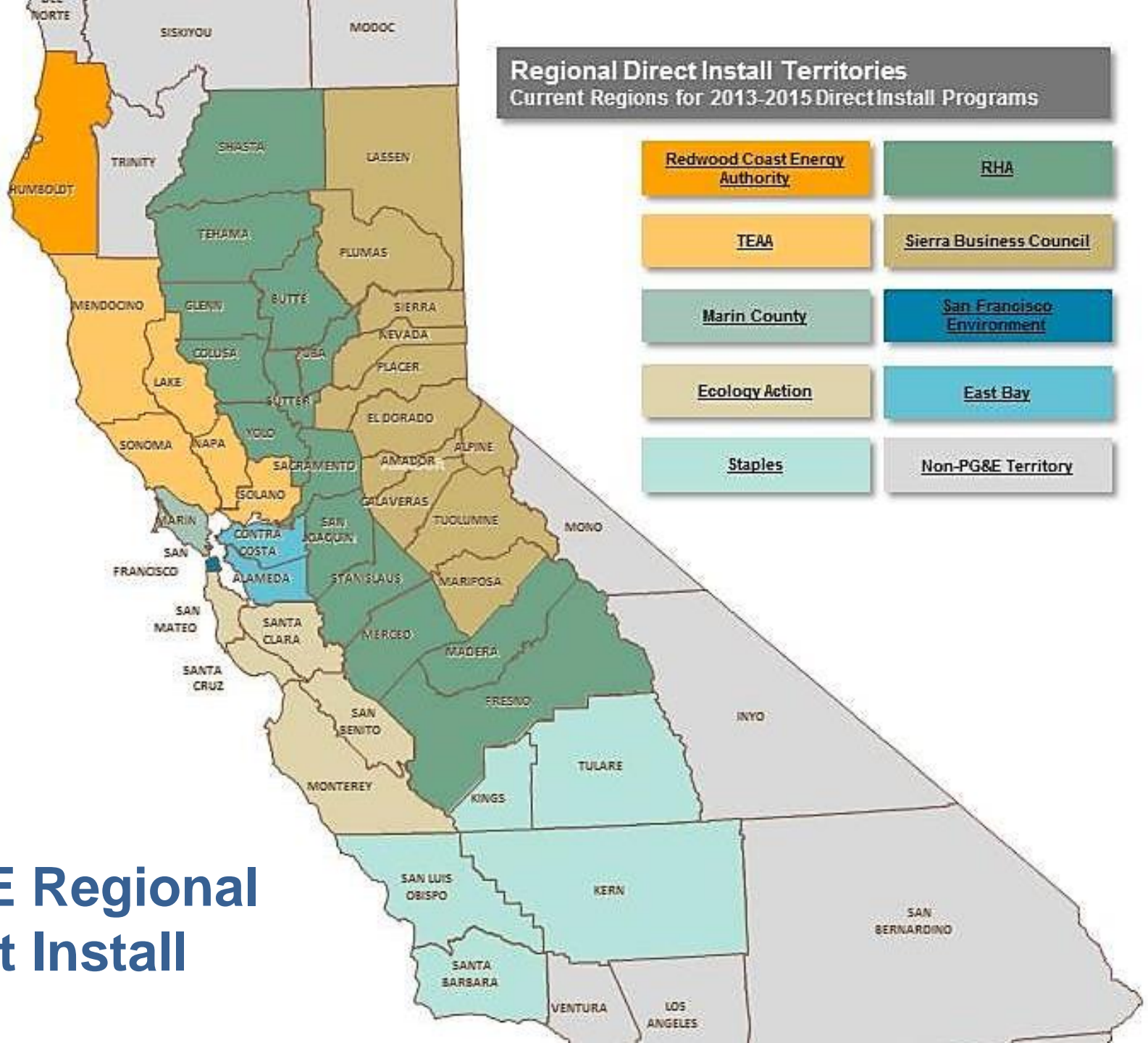
Industrial

- Compressed Air Program (Ecova)
- Heavy Industry Energy Efficiency Program (Lockheed)
- Industrial Recommissioning Program (Nexant)
- *Intelligent Energy Efficiency Program (Ameresco)*



Regional Direct Install Territories

Current Regions for 2013-2015 Direct Install Programs



**PG&E Regional
Direct Install**